

Message Text

PAGE 01 STATE 121580

73

ORIGIN EA-14

INFO OCT-01 EUR-25 ADP-00 CIAE-00 DODE-00 INR-10 NSAE-00

PA-03 RSC-01 USIA-12 PRS-01 /067 R

DRAFTED BY EA/ P: STAFF: EB

6/21/73 EXT 22538

APPROVED BY EA/ P: AHROSEN

----- 020006

R 212129 Z JUN 73

FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO AMEMBASSY BANGKOK

AMCONSUL BIEN HOA

AMEMBASSY BUDAPEST

AMEMBASSY CANBERRA

AMCONSUL DANANG

AMEMBASSY JAKARTA

USDEL JEC PARIS

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMCONSUL HONG KONG

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PHNOM PENH

AMEMBASSY SEOUL

AMEMBASSY TOKYO

AMEMBASSY VIENTIANE

AMEMBASSY WARSAW

AMEMBASSY WELLINGTON

AMCONSUL CAN THO

AMCONSUL NHA TRANG

CINCPAC

UNCLAS STATE 121580

E. O. 11652

TAGS: PFOR, XC, US

SUBJECT: JUNE 21 EA PRESS SUMMARY

UNCLASSIFIED

PAGE 02 STATE 121580

1. WITH INDOCHINA RELEGATED TO JUNE 21 BACK PAGES, ONLY
FRONT PAGE EA STORIES WERE SUMITOMO' S \$2 MILLION GIFT TO
YALE (NYT) AND CHIANG CHING DRESSED IN RADICAL CHIC (SUN).

2. GVN COMMAND REPORTS C- F VIOLATIONS LOWEST IN MONTH, BUT SEVERAL SHARP CLASHES TAKE PLACE IN HIGHLANDS. ICCS DEADLOCK CONTINUES FOR FOURTH WEEK AND TPJMC MEETS AGAIN WITHOUT IMPLEMENTING ANY OF JUNE 13 COMMUNIQUE'S PROVISIONS (NYDN, CHITRIB, PHINQ).

3. SUN'S CORDDRY IN WASHINGTON REPORTS NVN HAS NEARLY COMPLETED 130- MILE ALL- WEATHER ROAD FROM DMZ SOUTH ALONG WESTERN EDGE OF NORTHERN SVN AND INTO QUANG TIN PROVINCE. ROAD ESTIMATED TO HAVE 580 TRUCK CAPACITY PER DAY AND DESIGNED TO FREE NVA FROM DEPENDENCE UPON OLD HO TRAIL. SCHLESINGER HINTED AT THIS ACTIVITY IN TESTIMONY BEFORE SASC. OTHER DOD SOURCES SAY THERE ARE INDICATIONS HANOI INTENDS TO EXTEND ROAD FURTHER SOUTH INTO KONTUM PROVINCE WHERE IT COULD HAVE SPUR TO WEST LEADING INTO NVA BASE AREAS IN CAMBODIA. DOD ANALYSTS BELIEVE EXTENSIVE ROADBUILDING, AIRFIELD REFURBISHING, AA EMPLACEMENTS, MISSILE SITES AND INTRODUCTION OF FUEL PIPELINES IN

NORTHERN SVN INDICATES NVA INTENDS STAY IN AND MOVE MEN AND SUPPLIES BACK AND FORTH FREELY REGARDLESS OF VN AGREEMENT LIMITATIONS ON SUCH ACTIVITY (SUN).

4. NYT'S BROWNE IN PP REPORTS CONVOY CONTAINING SEVERAL HUNDRED TRUCKS MADE IT BACK AND FORTH FROM PP TO KOMPONG SOM OVER NEWLY- OPENED HIGHWAY 4. FIRST SUCH CONVOY IN 18 DAYS BROUGHT MUCH- NEEDED SUPPLIES TO CAPITAL. FANK NOW HOLDS LARGELY DESTROYED ANG SNUOL AND IS FIGHTING TO OPEN UP HIGHWAY 5 FROM PP TO RICE- GROWING BATTAMBANG. GKR SAYS IT HAS MADE " NUMEROUS CONTACTS" WITH KHMER FIGHTING " ON THE OTHER SIDE AGAINST THEIR WILL" (NYDN, PHINQ).

5. LAT'S LESLIE (JUNE 20; ALSO GLOBE JUNE 20, WP), IN SAIGON REPORTS THAT US AGREEMENT LAST DECEMBER TO TRANSFER MILITARY SCRAP TO RVN PROVIDES MODEST BOOST TO UNCLASSIFIED

PAGE 03 STATE 121580

SVN'S DECLINING ECONOMY IN FORM OF \$10 MILLION IN SCRAP IRON AND STEEL. BUT GVN UNABLE TO COLLECT FAR MORE VALUABLE BRASS, WHICH WOULD PROVIDE GREAT LIFT TO ECONOMY. SYNDICATE INCLUDING MANY RANKING ARVN GENERALS SAID TO HAVE ILLEGALLY STORED MILLIONS OF USED SHELL CASINGS IN MILITARY COMPOUNDS AWAITING FOR OPPORTUNITIES TO EXPORT THEM. ONE ATTEMPT TO SMUGGLE OUT \$17.3 MILLION WORTH OF SCRAP BRASS WAS RECENTLY UNCOVERED, RESULTING IN ARREST OF JAPANESE BUSINESSMAN, TWO AMERICANS, AND A VIETNAMESE. VIET JUDICIAL OFFICER CLAIMED THAT SYNDICATE EXTENDS TO THE OFFICE OF PM KHIEM, AND THAT NGUYEN TAN DOI, SAIGON BANKER IMPRISONED APRIL 26, ALSO WAS INVOLVED. US OFFICIALS CONCERNED THAT THE AFFAIR WILL AFFECT US AID TO SVN AND FUTURE OF VN'S

ECONOMY.

6. PM THANOM TELLS REPORTERS US MILITARY BASES IN THAILAND MUST BE MAINTAINED AS LONG AS COMMUNISTS DO NOT LIVE UP TO VN AGREEMENT. PM SAYS RTG HAS NO INTENTION OF RESUMING RELATIONS WITH PEKING UNTIL IT HALTS SUPPORT OF INSURGENTS AND REVOLUTION IN THAILAND AND CONTRIBUTES TO RESTORATION AND MAINTENANCE OF PEACE IN SEA (UPI, NYDN, PHINQ).

7. MICHAEL MORROW, IN SINGAPORE, REPORTS ON STOPPAGES AND PROTESTS BY LOW- PAID WORKERS AT GULF OIL SUBSIDIARY, WHICH LED TO WORKER- STUDENT DEMONSTRATION AT US EMBASSY. WORKER- STUDENT GROUP WANTED TO SEE AMBASSADOR CRONK TO COMPLAIN AGAINST AMERICAN MANAGEMENT FOR UNETHICAL ANTI-UNION, ANTI- LABOR PRACTICES. THREE REPS WERE ALLOWED TO

MEET WITH AMBASSADOR WHO SAID HE WOULD DISCUSS ISSUES WITH GULF MANAGEMENT, BUT EMBASSY LATER WASHED ITS HANDS OF THE AFFAIR. PROTEST HAS FLAWED THE IMAGE OF INDUSTRIAL PEACE THAT MADE SINGAPORE ATTRACTIVE TO FOREIGN INVESTORS, AND SYMBOLIZES PROBLEMS FACING SINGAPORE (WP).

8. SINGAPORE ANNOUNCED IT IS FLOATING ITS CURRENCY AGAINST US DOLLAR BECAUSE OF HEAVY COST OF SUPPORTING FIXED EXCHANGE RATE (REUTER, NYT).
UNCLASSIFIED

PAGE 04 STATE 121580

9. INDIA MAKING " HEAVY" LOAN TO MALAYSIA OF FOUR (PRESUMABLY FEMALE) ELEPHANTS TO BE USED AS BAIT TO TRAP WILD MALAYSIAN PACHYDERMS THAT HAVE BEEN RUINING CROPS (NYDN).

10. IVER PETERSON REPORTS (NYT) SUMITOMO GROUP HAS GIVEN YALE \$2 MILLION AND JAPAN SOCIETY \$1 MILLION TO PROMOTE JAPANESE- AMERICAN CULTURAL UNDERSTANDING.

11. UNDERSECRETARY CASEY REASSURING JAPANESE BUSINESS- MEN THAT U. S. INTENDS TO REMAIN MAJOR AGRICULTURAL SUPPLIER TO JAPAN, AND PRESIDENT'S REQUEST FOR STRONGER EXPORT CONTROL POWERS WAS ONLY MEANT AS " STANDBY, TEMPORARY". HE ALSO URGED JAPAN- U. S. COOPERATION IN ENERGY PROJECTS (JO).

12. FUJI BANK CHAIRMAN IWASA, IN U. S.- JAPAN TRADE COUNCIL LUNCHEON ADDRESS, PREDICTED U. S. THIS YEAR WILL HALVE LAST YEAR'S \$4 BILLION TRADE DEFICIT WITH JAPAN, AND BY 1974 TRADE WILL BE BROUGHT NEAR BALANCE. JAPANESE FIRMS, HE PREDICTED, WILL SHARPLY INCREASE FOREIGN INVESTMENTS TO \$26 BILLION BY 1980, MOVING LABOR- INTENSIVE PRODUCTION TO POORER COUNTRIES (JOC). UPI REPORTS THAT IWASA ATTRIBUTED IMPROVEMENT TO MAJOR

CURRENCY REALIGNMENTS OF PAST 18 MONTHS.

13. US MARITIME ADMINISTRATION OFFICER TELLS A MAINE TRADE MISSION TO JAPAN THAT JAPANESE AND EUROPEAN BUSINESSMEN SHIP THEIR IMPORTS IN THEIR OWN FLAG VESSELS. HIS OFFICE HAS BEEN PRESSURING JAPAN TO IMPORT IN US BOTTOMS SOME OF THE AGRICULTURAL PRODUCTS IT BUYS FROM U. S. (AP, CSM).

14. REUTER REPORTS (TOKYO, CSM) PRESIDENT FIRST NATIONAL CITY BANK TOLD 130 JAPANESE BUSINESSMEN THAT JAPAN WILL PLAY CRUCIAL ROLE IN FORTHCOMING NEGOTIATIONS ON PROGRESS TOWARDS FREER TRADE. SAID FOUR INGREDIENTS AT HEART OF

NEGOTIATIONS ARE: ADJUSTABLE EXCHANGE RATES; PROBLEM OF NON- TARIFF BARRIERS; LOWER TARIFFS AND QUOTAS ON UNCLASSIFIED

PAGE 05 STATE 121580

AGRICULTURAL COMMODITIES; AND REGIONAL BLOCS AND COUNTER- BLOCS.

15. WSJ REPORTS EBERLE WELCOMES ROK' S AGREEING TO LIMIT FOR THREE YEARS INCREASES IN ITS EXPORTS OF RUBBER AND PLASTIC FOOTWEAR TO U. S.

16. PRC APPOINTS MRS. LIU HSIANG- PIN (WIDOW OF HSIEH FU- CHIH) MINISTER OF PUBLIC HEALTH; FIRST WOMAN OF MINISTERIAL RANK IN YEARS. MRS. LIU JOINS SMALL COTERIE OF WOMEN IN PRC LEADERSHIP, MOST INFLUENTIAL OF WHOM IS CHIANG CHING (WP, NYT).

17. CDN' S KEYES BEECH (PHINQ), IN PEKING, CITES VIEWS OF SOME MORE DARING AND IMAGINATIVE DIPLOMATIC OBSERVERS THAT CHINA MOVING SO RAPIDLY DOWN ROAD TO " NORMALITY' THAT UNLESS PROCESS IS CHECKED THE COUNTRY MAY BE POLITICALLY UNRECOGNIZABLE AS A COMMUNIST STATE WITHIN A FEW YEARS. CHIEF FEAR OF THESE OBSERVERS IS THAT LIBERALIZATION IS MOVING SO FAST IT WILL PROVOKE RADICAL BACKLASH. ON OTHER HAND, MANY BELIEVE THAT UNDER CHOU' S ARTFUL LEADERSHIP, COURSE HAS BEEN SO FIRMLY SET THAT IT IS IRREVERSIBLE EXCEPT AT COST OF TEARING COUNTRY APART. THEY SEE EMERGING FROM CHINA' S PRESENT PERIOD OF TRANSITION A FUSION OF CHINESE COMMUNISM WITH TRADITIONAL CHINESE VALUES.

18. S- N' S BRADSHER (JUNE 20), IN HONG KONG, FORESEES POLITICAL TROUBLES IN PEKING OVER CHOU' S FOREIGN POLICY INVOLVING DETENTE WITH US AND DOMESTIC POLICY OF ECONOMIC PRAGMATISM. OPPOSING THESE POLICIES ARE CHIANG CHING AND SHANGHAI RADICALS WHO HAVE SOME SUPPORT IN PARTY HIERARCHY AND ARE SEEKING SUPPORT OF ERSTWHILE ARMY ALLIES OF GPCR DAYS. TWICE SINCE JUNE 4, CCP- CONTROLLED

PEOPLES' DAILY HAS CHARGED US VIOLATION OF ORIGINAL VN C- F AGREEMENT WHILE CHOU AND HIS DEPUTIES AVOIDED SUCH CHARGES. BRADSHER FINDS EVIDENCE THAT LIAONING PARTY- ARMY BOSS CHEN HSI- LIEN LINED UP ON CHOU' S SIDE IN DOMESTIC SPLIT. MAO' S POSITION IN THESE MANEUVERINGS IS NOT ENTIRELY CLEAR. BRADSHER OBSERVES THAT MAO ENDORSED AND WAS EVEN GIVEN CREDIT FOR INSPIRING PRO- US UNCLASSIFIED

PAGE 06 STATE 121580

FOREIGN POLICY, AND COMMENTS THAT THIS DOES NOT PRECLUDE POSSIBILITY THAT HE IS COOPERATING WITH ELEMENTS SUSPICIOUS OF CHOU' S FOREIGN POLICY, THE BETTER TO BUILD STRENGTH TO CHALLENGE CHOU' S PRAGMATIC ECONOMIC POLICIES.

19. FROM HONG KONG, SUN' S WOODRUFF REPORTS ON CONJECTURES OVER THE MEANING OF CHIANG CHING, LOUDEST RADICAL OF THE GPCR, DRESSED IN MIDI, ESCORTING AMBASSADOR BRUCE TO CHINESE- AMERICAN BASKETBALL GAME. EVENT BEING WIDELY INTERPRETED AS A TURNING POINT IN CHINESE POLITICS. CITES ONE ANALYST AS SAYING, " SHE WAS EATING HUMBLE PIE... THE RADICALS HAVE HAD TO CAPITULATE, AT LEAST ON AMERICAN RAPPROCHEMENT, AND AT LEAST FOR THE MOMENT." OTHERS AWAIT MORE EVIDENCE BEFORE DRAWING CONCLUSIONS. OBSERVING THAT THERE ARE FEW COINCIDENCES IN CHINA, WOODRUFF COMMENTS THAT CHIANG TOOK A GIANT STEP TO GET INTO LINE WITH POLITICAL TRENDS THAT WERE THREATENING TO LEAVE RADICALS BADLY OUT OF PHASE WITH REST OF COUNTRY. IF THIS INTERPRETATION PROVES ACCURATE, IT EXPLAINS WILLINGNESS OF LARGE NUMBER OF HIGH FORMER OFFICIALS TO RETURN TO PUBLIC LIFE FROM DISGRACE INTO WHICH CHIANG AND HER FELLOW- RADICALS PLUNGED THEM DURING GPCR.

20. POST' S MAXINE CHESHIRE REMARKS THAT PRCLO HAVE USEFUL INTELLIGENCE- GATHERING SOURCES ON AT LEAST ONE LEVEL. THEIR REAL ESTATE AGENT FOUND THEY HAD COMPILED AN EXTENSIVE DOSSIER ON HER CHARACTER AND REPUTATION BEFORE AGREEING TO DEAL WITH HER. MAXINE ALSO SAYS MRS. MARQUIS CHILDS WAS BESIEGED BY REPORTERS (ON ARRIVAL IN HK) SEEKING FIRST PHOTOS OF NEW BRUCE RESIDENCE IN PEKING.

21. GLOBE' S CROCKER SNOW (JUNE 20), WRITES LENGTHILY ON VISA SITUATION IN MANILA, WITH 600-800 FILIPINOS LINED UP DAILY SEEKING VISAS AT EMBASSY WITH QUOTES FROM CONSUL GENERAL LAWRENCE. REPORTS MANILA IS BUSIEST IMMIGRANT- VISA ISSUING POST IN WORLD; IMMIGRATION APPLICATIONS OTHER THAN US FAMILY MEMBERS TAKEN ONLY FROM PROFESSIONALS, OF WHOM 170,000 ON WAITING LIST. UNCLASSIFIED

PAGE 07 STATE 121580

22. LONDON OBSERVER' S HUNTSFORD IN STOCKHOLM REPORTS
SOCIAL DEMOCRATS FACE POSSIBLE DEFEAT IN SEPTEMBER
GENERAL ELECTIONS, AND SOME PARTY STRATEGISTS BELIEVE
PALME IS SERIOUS LIABILITY. WHILE MOST TROUBLES ARE
RELATED TO INTERNAL SCENE, HUNTSFORD REPORTS PALME' S
ANTI- US POLICY OVER VN HAS BACK- FIRED AND MANY SWEDES NOW
BELIEVE PALME BUNGLED FOREIGN AFFAIRS. CONTINUED ABSENCE
OF AMERICAN AMBASSADOR WORRIES MANY SWEDES AND CONTRIBUTES

TO GENERAL FEELING OF UNEASE (WP). ROGERS

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE121580
Document Source: ADS
Document Unique ID: 00
Drafter: EA/ P: STAFF: EB
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730635/abqcemqo.tel
Line Count: 284
Locator: TEXT ON-LINE
Office: ORIGIN EAP
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: willialc
Review Comment: n/a
Review Content Flags:
Review Date: 08 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08-Aug-2001 by maustmc>; APPROVED <20-Aug-2001 by willialc>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> wfs 980217
Subject: JUNE 21 EA PRESS SUMMARY
TAGS: PFOR, US, XC
To: SAIGON INFO BANGKOK
BIEN HOA
BUDAPEST
CANBERRA
DANANG
JAKARTA
JEC PARIS

MANILA
MOSCOW
HONG KONG
OTTAWA
PARIS
PHNOM PENH
Y SEOUL
TOKYO
VIENTIANE
WARSAW
WELLINGTON
CAN THO
NHA TRANG
CINCPAC
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005